

1 Q. **Reference: Application, Page 4, Section 3.0**

2 The Government of Canada has identified a program for Rural and Northern Communities
3 Infrastructure Funding as part of the Investing in Canada Infrastructure Program. Has Hydro or
4 the Government of Newfoundland and Labrador approached the Government of Canada to
5 discuss non-diesel generation solutions for southern Labrador?

6

7

8 A. Newfoundland and Labrador Hydro (“Hydro”) worked in partnership with the Government of
9 Newfoundland and Labrador and the Government of Canada’s Department of Natural Resources
10 to secure funding for an interconnection study for remote communities in Labrador. The
11 objective of this study was to investigate interconnection options and understand the impacts in
12 terms of cost, opportunities for renewable integration, and opportunities for fuel displacement.
13 The interconnection study was finalized in late 2020 and is provided in Hydro’s response to LAB-
14 NLH-015.

15 This study was part of a larger process to inform Hydro’s electricity supply strategy for isolated
16 Labrador communities. Hydro’s objective was to better understand the feasible options so that
17 it could continue to work with stakeholders to find environmentally and socially responsible
18 long-term solutions.

19 The analysis involved the assessment of seven interconnection alternatives. From the study
20 results, it is clear that large-scale interconnection alternatives are not economically feasible.
21 However, it demonstrated that the best options for long-term sustainability and fuel
22 displacement involve the integration of renewable energy solutions. On this basis, Hydro will be
23 supporting renewable energy developers in Labrador, particularly indigenous governments and
24 organizations, and their initiatives to reduce reliance on diesel generation, while providing least-
25 cost, reliable electricity for customers.

26 Hydro has been supporting a number of developers by serving as an integrator for projects
27 including the Nain Wind Power Micro-Grid and the Mary’s Harbour Photo-Voltaic and Battery

1 Energy Storage System. In this role, Hydro provides technical oversight as renewable energy
2 proponents develop projects in communities. Hydro also leads the required regulatory process
3 with the Board of Commissioners of Public Utilities. Such an arrangement effectively enables
4 renewable integration and leads to reliable, least-cost solutions for customers.